



INTEROFFICE COMMUNICATION

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TO: Bryant University Faculty and Staff

FROM: Human Resources Office

DATE: October 1, 2024

SUBJECT: **Medicare Prescription Drug Creditable Coverage Notice**

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 added a new prescription drug program to Medicare effective January 1, 2006. Individuals can enroll in a Medicare prescription drug plan when they first become eligible and each year from October 15<sup>th</sup> through December 7<sup>th</sup>.

The Act requires all entities currently providing prescription drug coverage to Medicare beneficiaries to disclose whether the entity's coverage is "creditable prescription drug coverage." Since Bryant University's health insurance plans offer prescription coverage through Optum Rx we are providing a copy of the certificate of creditable coverage within the attached *Important Notice from Bryant University About Your Prescription Drug Coverage and Medicare* to all benefits eligible employees and those who participate in University health coverage through COBRA.

While the attached notice is based on the model notice developed by the Centers for Medicare and Medicaid, we are providing you with the following summary/highlights relative to this notice.

*Why am I receiving this notice if I am not old enough to qualify for Medicare benefits?*

Bryant University is distributing this notice to all benefits eligible employees and COBRA participants regardless of age. While you may not be eligible for Medicare, your dependents who are eligible for coverage under Bryant's health plans may also be Medicare eligible.

*What "Creditable Coverage" is as described in the notice?*

Creditable coverage means that the prescription coverage you have elected through Bryant University's health plans is, on average, expected to provide better benefits than the standard Medicare prescription drug coverage plan.

*What should I do with this notice?*

You should keep this notice if you or one of your dependents anticipate dropping or losing your Bryant University health and prescription coverage and will be eligible to apply for the Medicare prescription drug plan prior to the next annual Medicare prescription drug open enrollment period which is October 15<sup>th</sup> through December 7<sup>th</sup>, 2024.

## **Important Notice**

### **For You and Your Medicare-Eligible Beneficiaries from Bryant University About Your Prescription Drug Coverage and Medicare**

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with Bryant University and about your options you have under Medicare prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage.

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. Bryant University has determined that the prescription drug coverage offered by Optum Rx, on average for all plan participants, is expected to pay out as much as the standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

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### **When can you join a Medicare Drug Plan?**

You can join a Medicare drug plan when they first become eligible for Medicare and each year from October 15<sup>th</sup> through December 7<sup>th</sup>.

However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

### **What happens to your current coverage if you decide to join a Medicare Drug Plan?**

If you decide to join a Medicare drug plan, your current Bryant University coverage will not be affected. The Bryant University Benefits Open Enrollment Guide provides a summary of the prescription plan coverage options under Bryant University's plan that Medicare eligible individuals have available to them when they become eligible for Medicare Part D.

If you do decide to join a Medicare drug plan and drop your current Bryant University coverage, be aware that you and your dependents will not be able to get this coverage back.

### **When will you pay a higher premium (penalty) to join a Medicare Drug Plan?**

You should also know that if you drop or lose your coverage with Bryant University and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that

coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

**For more information about this notice or your current prescription drug coverage...**

Contact Human Resources for further information. NOTE: You will get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through Bryant University changes. You also may request a copy of this notice at any time.

**For more information about your options under Medicare prescription drug coverage...**

More detailed information about Medicare plans that offer prescription drug coverage is available in the “*Medicare & You*” handbook. You’ll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare prescription drug plans. For more information about Medicare prescription drug plans:

- Visit [www.medicare.gov](http://www.medicare.gov);
- Call your State Health Insurance Assistance Program (In Rhode Island the telephone number is 401-462-4000) for personalized help; or
- Call 1-800-MEDICARE (1-800-633-4227); TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit the Social Security Administration (SSA) on the web at [www.socialsecurity.gov](http://www.socialsecurity.gov), or call them at 1-800-772-1213 (TTY 1-800-325-0778).

**Remember: Keep this Creditable Coverage notice. If you decide to join one of the new Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).**

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